

GRAYSON MILL

E N E R G Y



NORTH DAKOTA PETROLEUM COUNCIL

ANNUAL MEETING

SEPTEMBER 23, 2021

Privately Owned Bakken Operator

3rd Largest private operator and 12th largest operator in the Bakken by Bopd

Significant Acreage & Drilling Inventory

~240k net acres (~210k operated) with ~78% average WI

500+ highly economic development locations

Stable Production Profile

Current net production of ~40 MBoepd (60% oil) from 736 operated wells and non-operated production interests

Sizeable Midstream Business

650+ miles of pipeline gathering systems (oil, gas, fresh water and saltwater)

Midstream system has ample capacity for growth and new business

Well Capitalized

Private entity financed by EnCap Investments, a private equity fund with \$30+ billion of AUM

Conservative capital structure enables us with strategic optionality for reinvestment in the asset and future expansion opportunities

Bakken Focused Operator Poised for Growth and Capital Deployment in the Basin

History and Assets

Grayson Mill Energy (“GME”) was founded in 2016

Powder River Basin - 2016

- Assembled ~23,000 largely contiguous net acres in Converse County, WY with multiple benches of economic development
- Compelling recent well results (payback in ~10 months with 165+ MBO produced in less than 200 days)
- Federal Unit formed in 2020

Williston Basin - February 2021

- On February 10th, GME announced it executed a PSA with Equinor to acquire its Williston Basin assets for \$900MM
- Acquisition closed on April 26, 2021
- Seamless transition of operations and personnel on August 3, 2021
 - Over 120 field and office personnel transitioned from Equinor
 - Fully functional team in place already familiar with the assets
 - Familiarity with the assets allows for operational efficiency while moving forward with responsible and economic development of the assets
 - Team focused on maintaining high safety standards and practices

Executive Team

- The GME team has managed drilling, completions, operations, and associated budgets for 1,000+ wells across North America
- Significant operating experience in the Williston Basin

Eric Bayes, CEO, Prior Experience:



Blake Sullens, COO, Prior Experience:



Matt Ultis, CFO, Prior Experience:



Dewey Gerdom, VP BD
Prior Experience:

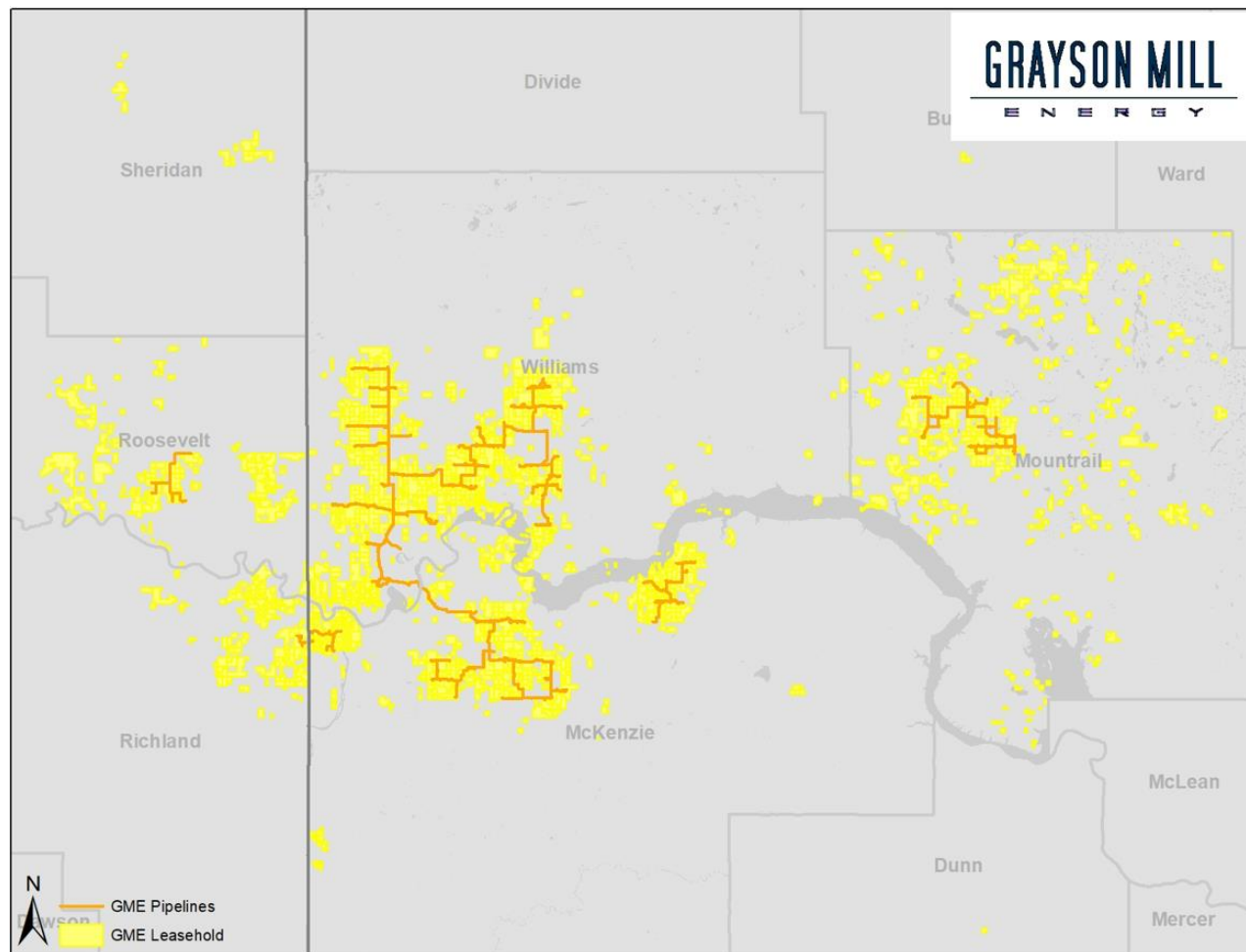


Kennon Doyal, VP Operations, Prior Experience:



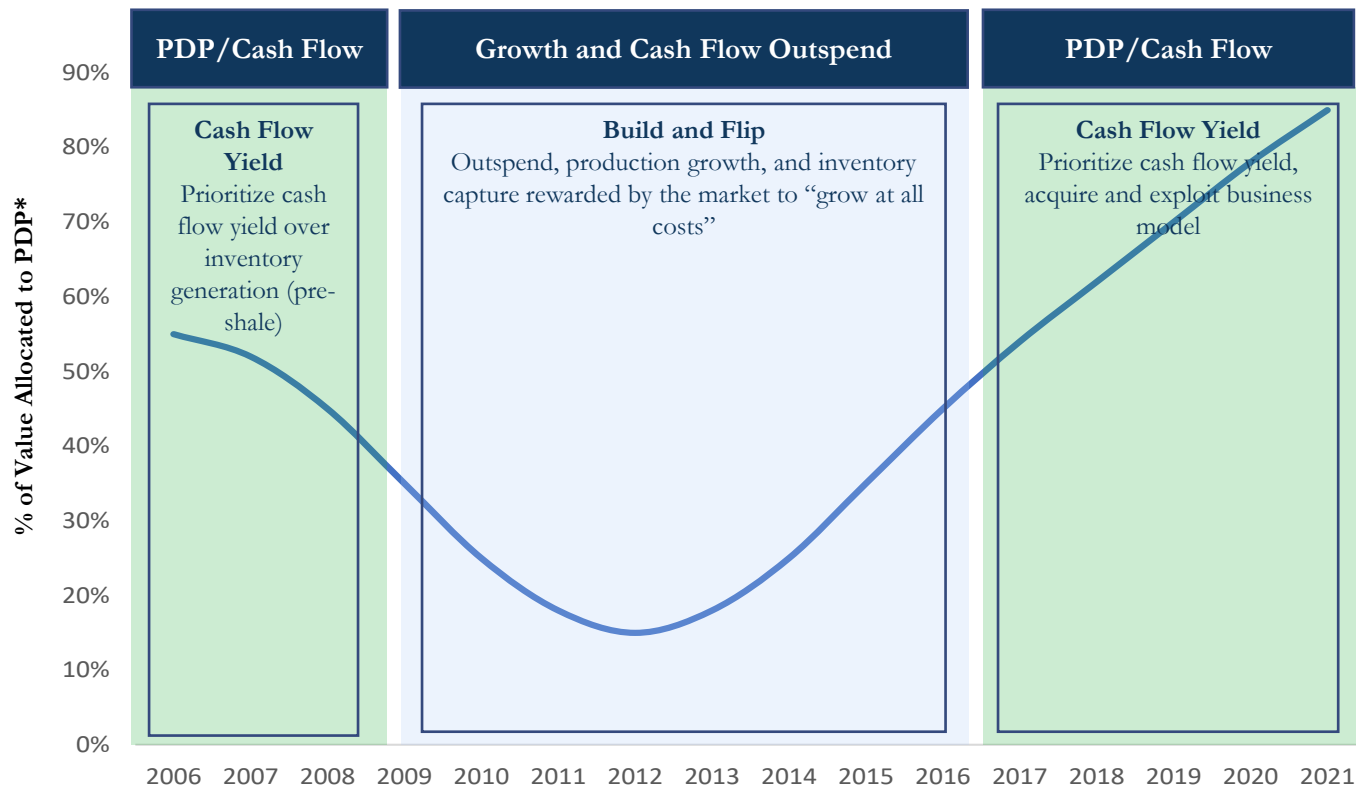
WILLISTON BASIN ACREAGE POSITION

- ~240k total net acres (~210k operated); ~99% HBP
- ~40 Mboepd (6:1), 85% operated, 736 gross operated wells
- Extensive crude, gas, saltwater and freshwater systems
 - 650+ miles of pipeline
 - 90%+ of operated oil and water gathered on pipeline system
 - 280,000 bbls of crude storage capability
 - 12 SWD wells
 - Expansive midstream infrastructure allows for ~93% gas capture



INVESTMENT MODEL

WE'VE BEEN HERE BEFORE



Returns generated through distributions



Returns generated through inventory capture and divestiture



Returns generated through distributions

Aug

- Transitioned operatorship and personnel to GME

4Q
2021

- Add first drilling rig
- Initiate completion program on DUC inventory
- Decrease production downtime and implement cost controls
- Evolve and grow the midstream business to serve both operated and 3rd party volumes

2022+

- Improve operational efficiency and cost structure across the asset base
- Continue development program to prudently grow production within cash flow (25+ wells per year)
- Actively evaluate and engage in business development opportunities across the basin (acquisitions, trades, etc.)
- Continue to expand the midstream business across our acreage position.

- **Communication**

- Interface with all State and Federal agencies to ensure proper reporting and compliance requirements are seamlessly transitioned.
- Introduce GME to local communities with active community involvement
- Actively participate with the NDIC, NDPC and with state and federal leaders to participate in policy discussions as it pertains to our industry

- **Prudently Operate the Assets**

- Continue high standards for safety performance in the work environment
- Continued development of the asset with key Health, Safety and Environmental standards in place for long term efficiencies and stewardship of our North Dakota assets.
- Ensure compliance with flaring guidelines and continued implementation of best practices in conjunction with state and federal regulatory partners
- Involvement in our communities where we work, where we live, and where we raise our families
- Commitment to capital program of \$250+ million in next two years

- Since its discovery, the Williston Basin has reinvented itself over and over; GME is now part of this basin's great heritage
 - We will be stewards of the assets we now own
 - We will commit to working with our fellow Williston Basin players
 - We will be responsible in our development of the assets
 - We will grow and expand our asset base in time

We are proud to be a part of the heritage of the Williston Basin and its future potential